

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:

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Chapter 11

PRODUCE DEPOT USA LLC,

Case No. 22-40412 (ESS)

Debtor.

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DECLARATION OF RACHEL WOLF

Pursuant to 28 U.S.C. § 1746, Rachel Wolf declares as follows:

1. I am an attorney in the Office of the United States Trustee for Region 2. I have knowledge and information about the Chapter 11 bankruptcy case of Produce Depot USA LLC (the “Debtor”). I submit this Declaration in support of the Motion of the United States Trustee, Pursuant to 28 U.S.C. §§ 1406, 1408 and Fed. R. Bankr. P. 1014(a) to transfer this case to the District of New Jersey Or, In the Alternative, to the Southern District of New York (the “Motion”).

Procedural History

2. In response to the United States trustee’s request for the Debtor’s corporate tax returns, the Debtor provided the following:

- a. Form 1040 personal tax returns for Balzano for years 2019 and 2020 indicating he resides in New Jersey;
- b. the Schedule C of Form 1040 for 2020 of Luis Ruelas indicating that he is the sole proprietor of the Debtor, which indicates that he resides in New Jersey.

3. The Debtor did not provide corporate tax returns of the Debtor to the United States Trustee.

4. The Debtor also provided copies of Prepetition Bank statements for the Debtor's prepetition accounts located at J.P. Morgan Chase reflecting the Debtor's address as the Bronx Address.

5. The initial meeting of creditors pursuant to 11 U.S.C. § 341(a) (the "Meeting of Creditors") was initially scheduled for April 1, 2022, and was adjourned to April 11, 2022. See Docket. On April 11, 2022, the United States Trustee conducted the Meeting of Creditors, at which Debtor's proposed counsel Alla Kachan, Esq. and Balzano appeared as the Debtor's representative.

6. At the Meeting of Creditors, Balzano testified to the following:
 - a. The Debtor ceased operating in mid-2021 and did not intend to restart operations.
 - b. The Debtor was a produce-resale company that sold produce to retail outlets, among other things.
 - c. Until mid-2021, the Debtor leased warehouse space located at 1341 Garrison Avenue, Bronx, New York 10474 (the "Bronx Warehouse") to store inventory, books and records.
 - d. The Debtor assigned its interest in the Bronx Warehouse lease in mid-2021 to a third-party in an arm's-length transaction.
 - e. Prior to ceasing operations, the Debtor delivered inventory to its customer, Circus Fruits Wholesale ("Circus") located at 52 Center Market Street, Brooklyn New York.
 - f. After the Debtor ceased operations, Balzano relocated the Debtor's books and records to an office in Garfield, New Jersey.

I declare under penalty of perjury that the information contained in this Declaration is true and correct to the best of my knowledge.

New York, New York

May 26, 2022

/s/ Rachel Wolf
Rachel Wolf